



CONGRESSIONAL BUDGET OFFICE  
PAY-AS-YOU-GO ESTIMATE

April 19, 1999

**H.R. 1376**

**To extend the tax benefits available to services performed in a combat zone to services performed in the Federal Republic of Yugoslavia (Serbia/Montenegro) and certain other areas, and for other purposes**

*As cleared by Congress on April 15, 1999*

H.R. 1376 would provide tax benefits to the members of the Armed Forces who are receiving special pay while subject to hostile fire or imminent danger while serving in the Federal Republic of Yugoslavia, Albania, the Adriatic Sea, or the northern Ionic Sea. They would receive the same tax benefits available to services performed in a combat zone. This provision has no revenue effect since the President has designated this area as a combat zone in an Executive Order on April 13, 1999. The bill would also allow those service members outside the United States who are deployed away from their permanent duty station as part of Operation Allied Force to delay filing income tax returns without penalty. The Joint Committee on Taxation (JCT) has estimated that this provision would have a negligible effect on governmental receipts. Because H.R. 1376 would potentially affect receipts, pay-as-you-go procedures would apply.

This estimate was prepared by Hester Grippando and approved by G. Thomas Woodward, Assistant Director for Tax Analysis.